

STORENT UAB

Independent Auditors' Report, Annual
Report and
Financial Statements for the year
ending on 31 December 2023

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Independent Auditors' Report

To the shareholders of **STORENT UAB**

■ Opinion

We have audited the Financial Statements of STORENT UAB (hereinafter, the Company). The Company's Financial Statements include:

- Balance Sheet as of 31 December 2023;
- Income Statement for the year then ended;
- Statement of Changes in Equity for the year then ended;
- Statement of Cash Flows for the year then ended; and
- Notes to the Financial Statements, including a summary of relevant accounting policies.

In our opinion, the accompanying Financial Statements present a true and fair view of the Company's financial position as of 31 December 2023, as well as its financial performance and cash flows for the year then ended, in accordance with the Lithuanian Financial Reporting Standards.

■ Basis for the Opinion

We conducted the audit in accordance with the International Standards on Auditing (hereinafter, ISAs). Our responsibilities under these standards are detailed in the section of this report titled "Auditor's Responsibilities in Auditing Financial Statements". We are independent of the Company in accordance with the International Code of Ethics for Professional Accountants (including the International Independence Requirements) issued by the International Ethics Standards Board for Accountants (hereinafter, the IESBA Code) and the requirements of the Law on Auditing of Financial Statements of the Republic of Lithuania, as applicable to audits conducted in Lithuania. We also comply with other ethical requirements in accordance with the Law on Auditing of Financial Statements of the Republic of Lithuania and the IESBA Code. We believe that the audit evidence obtained is sufficient and appropriate to serve as a basis for our opinion.

■ Other Information

Other information includes the content of the Company's Annual Report, excluding the Financial Statements and our Auditors' Report. The management is responsible for providing other information.

Our opinion on the Financial Statements does not cover other information, nor do we express any form of assurance thereof, except as stated below.

In auditing the Financial Statements, we are responsible for reading the other information and assessing whether it contains material inconsistencies with the Financial Statements or with our knowledge based on our audit, or if it appears to be otherwise materially misstated. If, based on our work, we identify a material misstatement in the other information, we are required to disclose it. We have no observations in this regard.

We are also required to assess whether the financial information presented in the Company's Annual Report is consistent with the Financial Statements for the same financial year and whether the Annual Report has been prepared in accordance with applicable legal requirements. In our opinion, based on the work performed during the audit of the Financial Statements, in all material respects:

- the financial data presented in the Company's Annual Report are consistent with the Financial Statements for the same financial year; and
- the Annual Report of the Company has been prepared in accordance with the requirements of the Law on Financial Reporting of the Republic of Lithuania.

■ **Responsibility of the Management and Those Charged with Governance for the Financial Statements**

The management is responsible for the preparation and fair presentation of these Financial Statements, which provide a true and fair view in accordance with the Lithuanian Financial Reporting Standards. The management is also responsible for implementing internal controls necessary to ensure the preparation of financial statements free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, the management is required to assess the Company's ability to continue as a going concern and, if necessary, disclose matters related to going concern and the application of the going concern basis of accounting, unless the management intends to liquidate the Company, cease operations, or has no realistic alternative but to do so.

Those charged with governance must oversee the Company's financial reporting process.

■ **Auditor's Responsibilities in Auditing Financial Statements**

Our objective is to obtain reasonable assurance that the Financial Statements, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an Auditors' Report including our opinion.

Reasonable assurance provides a high level of confidence but does not guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement if one exists.

Misstatements arising from fraud or error are considered material if they, individually or in the aggregate, could reasonably be expected to significantly influence the economic decisions of users based on the Financial Statements.

In conducting an audit in accordance with ISAs, we make professional judgements throughout the audit and observe the principle of professional scepticism. We also do the following:

- We identify and assess the risks of material misstatements in the Financial Statements, whether due to fraud or error, plan and execute procedures to address those risks, and obtain sufficient appropriate audit evidence to form the basis for our opinion. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve collusion, forgery, deliberate concealment, misinterpretation or failure to comply with internal controls.
- We gain an understanding of internal controls relevant to the audit to design audit procedures appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- We assess the appropriateness of the accounting policies used and the reasonableness of the accounting estimates and related disclosures made by the management.



- We assess the appropriateness of the going concern basis of accounting and determine, based on the evidence obtained, whether a material uncertainty exists regarding events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that such a material uncertainty exists, our Auditors' Report is required to address the related disclosures in the Financial Statements or, if those disclosures are insufficient, to modify our opinion. Our conclusions are based on audit evidence obtained up to the date of the Auditors' Report. However, future events or conditions may prevent the Company from continuing its operations.
- We assess the overall presentation, structure and content of the Financial Statements, including disclosures, and evaluate whether they present the underlying transactions and events in a manner consistent with the principle of fair presentation.

Among other responsibilities, we must inform those charged with governance about the scope and timing of the audit, as well as significant audit observations, including any material internal control weaknesses identified during the audit.

On behalf of KPMG Baltics UAB

Ieva Voverienė,
Certified
Auditor

Vilnius, Republic of
Lithuania, 5 July 2024

Only the Independent Auditors' Report on pages 3 to 5 of this document bears the auditor's electronic signature.

STORENT UAB

Company code: 302251303, Vilniaus m. sav. Vilniaus m., Savanorių pr. 180B

ANNUAL REPORT

FOR THE YEAR ENDING ON 31 DECEMBER 2023

(all amounts in euro, unless otherwise specified)

ANNUAL REPORT

1. Company Background and Overview of Operations

STORENT UAB (hereinafter, the Company), legal entity code 302251303, registered office address: Vilniaus m. sav., Vilniaus m., Savanorių pr. 180B.

The Company operates in the rental of machinery and equipment for construction and civil engineering. The Company was registered in the Register of Legal Entities on 27 November 2008.

The share capital of the Company is EUR 273,672 (two hundred and seventy three thousand six hundred and seventy two) divided into 9,450 (nine thousand four hundred and fifty) ordinary registered shares with a nominal value of EUR 28,96 (twenty eight euro 96 ct) each. The share capital is fully paid. In 2022 and 2023, 100% of the shares in the company were held by STORENT INVESTMENT AS (reg. no. 40103834303, address: Matrožu iela 15A, LV-1048, Riga, Latvia).

The financial year of the Company begins on 1 January and ends on 31 December of the calendar year.

The governing authority of the Company is its Chief Executive Officer.

The Company's CEO is Mantas Dzikas.

2. Analysis of Financial and Non-financial Performance, Environmental and Human Resources Information

As of 31 December 2023, the Company had 49 employees (48 employees in 2022).

The turnover of STORENT UAB in 2023 amounted to EUR 10.5 million. The net profit for 2023 is EUR 485,700.

3. The Number and Nominal Value of All Shares Acquired and Held by the Company, along with the Proportion of the Share Capital Represented by Those Shares

As of 31 December 2023, the Company's share capital consisted of 9,450 ordinary shares with a nominal value of EUR 28,96 each. The Company does not hold any of its own shares.

On 24 August 2023, by decision of the sole shareholder, the share capital was increased to EUR 273,672, divided into 9,450 ordinary shares.

4. The Number and Nominal Value of Own Shares Acquired and Disposed of during the Reporting Period, along with the Proportion of the Share Capital Represented by Those Shares

The Company did not acquire or dispose of any of its own shares during the reporting period.

5. Information on the Payment for Own Shares If They Are Acquired or Transferred in Exchange for Consideration

N/A.

6. Reasons for Acquiring Own Shares in the Company during the Reporting Period

N/A.

7. Information about the Company's Branches and Representative Offices

The Company has no branches and representative offices.

8. Significant Events Since the End of the Previous Financial Year

Contracts were signed with new partners in Lithuania, and the range of services was expanded with the launch of small equipment rental.

9. Business Plans and Forecasts

The company is planning to continue expanding its activities and looking for new partners.

10. Information on the Company's Research and Development Activities

The Company is not engaged in any research and development activities.

11. Information about the Objectives of Financial Risk Management, Hedging Instruments Used Under Hedge Accounting, and the Extent to which the Company's Exposure to Price Risk, Credit Risk, Liquidity Risk and Cash Flow Risk Affects Its Use of Financial Instruments and the Measurement of Its Assets, Equity, Liabilities, Income and Expenses

The Company does not use financial instruments as hedging instruments; instead, credit, liquidity and cash flow risk management

STORENT UAB**Company code: 302251303, Vilniaus m. sav. Vilniaus m., Savanorių pr. 180B****ANNUAL REPORT****FOR THE YEAR ENDING ON 31 DECEMBER 2023**(all amounts in euro, unless otherwise specified)

is ensured solely through budgeting, cash flow planning and adherence to the Company's credit management policy.

12. Information on Other Management Positions Held by the CEO and Members of the Board of Directors of a Public Limited Liability Company or a Private Limited Liability Company (CEO of a Legal Entity [Legal Form, Name, Code, Registered Office Address]), Member of the Management Body or Member of the Supervisory Body of a Legal Entity (Legal Form, Name, Code, Registered Office Address), and the Most Important Information on their Principal Place of Employment (Position, Legal Form, Name, Code, Registered Office Address of the Legal Entity)

The CEO does not hold any other managerial positions.

STORENT UAB
Chief Executive Officer

Mantas Dzikas

5 July 2024

STORENT UAB

Company code 302251303, Vilniaus m., Vilniaus m., Savanorių pr. 180B

BALANCE SHEET**31 DECEMBER 2023**

(all amounts in euro, unless otherwise specified)

		Notes	2023	2022
ASSETS				
A.	NONCURRENT ASSETS		4,456,963	292,873
1.	INTANGIBLE ASSETS	3		
1.1.	Development work		-	-
1.2.	Goodwill		-	-
1.3.	Software		591	1,057
1.4.	Concessions, patents, licences, trademarks and similar rights		-	-
1.5.	Other intangible assets		-	-
1.6.	Advance payments		-	-
			591	1,057
2.	TANGIBLE ASSETS	4		
2.1.	Land		-	-
2.2.	Buildings and structures		-	-
2.3.	Machinery and equipment		-	-
2.4.	Vehicles		138,595	15,856
2.5.	Other equipment, instruments and tools		792,351	166,288
2.6.	Investment assets		-	-
2.6.1.	Land		-	-
2.6.2.	Buildings		-	-
2.7.	Advance payments and construction/production of tangible assets in progress		-	-
			930,946	182,144
3.	FINANCIAL ASSETS			
3.1.	Shares in group companies		-	-
3.2.	Loans to group companies	6, 21	3,405,000	-
3.3.	Receivables due from group companies		-	-
3.4.	Shares in associated companies		-	-
3.5.	Loans to associated companies		-	-
3.6.	Receivables from associated companies		-	-
3.7.	Long-term investments		-	-
3.8.	Receivables due after one year	5	120,426	109,672
3.9.	Other financial assets		-	-
			3,525,426	109,672
4.	OTHER NONCURRENT ASSETS			
4.1.	Deferred income tax assets	22	-	-
4.2.	Biological assets		-	-
4.3.	Other assets		-	-
			-	-
B.	CURRENT ASSETS		1,957,244	3,100,312
1.	INVENTORIES			
1.1.	Raw materials, supplies and components	7	132,297	148,207
1.2.	Unfinished products and work in progress		-	-
1.3.	Products		-	-
1.4.	Purchased goods for resale	7	147,954	140,345
1.5.	Biological assets		-	-
1.6.	Tangible noncurrent assets held for sale		-	-
1.7.	Advance payments		24,612	17,920
			304,863	306,472
2.	AMOUNTS RECEIVABLE WITHIN ONE YEAR			
2.1.	Trade receivables	8	1,385,906	1,305,649
2.2.	Debts of group companies	6, 21	44,052	6,055
2.3.	Debts of associated companies	21	-	1,390,000
2.4.	Other receivables	9	2,002	1,936
			1,431,960	2,703,640
3.	SHORT-TERM INVESTMENTS			
3.1.	Shares in group companies		-	-
3.2.	Other investments		-	-
			-	-
4.	CASH AND CASH EQUIVALENTS	10	220,421	90,200
C.	DEFERRED COSTS AND ACCRUED INCOME	11	25,914	16,612
	TOTAL ASSETS		6,440,121	3,409,797

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BALANCE SHEET**31 DECEMBER 2023**

(all amounts in euro, unless otherwise specified)

		Notes	<u>2023</u>	<u>2022</u>
EQUITY AND LIABILITIES				
D.	EQUITY			
1.	CAPITAL	12		
1.1.	Share (subscribed) or fixed capital		273,672	272,224
1.2.	Subscribed capital, outstanding (-)		-	-
1.3.	Own shares (-)		-	-
			273,672	272,224
2.	SHARE PREMIUM		3,426,328	2,827,776
3.	REVALUATION RESERVE		-	-
4.	RESERVES	12		
4.1.	Mandatory reserve or reserve capital		26,774	26,774
4.2.	For purchasing own shares		-	-
4.3.	Other reserves		-	-
			26,774	26,774
5.	RETAINED EARNINGS (LOSS)	12		
5.1.	Profit (loss) for the reporting year		485,770	(895,405)
5.2.	Profit (loss) from previous years		(3,575,037)	(2,679,632)
			(3,089,267)	(3,575,037)
	TOTAL EQUITY		637,507	(448,263)

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Company code 302251303, Vilniaus m., Vilniaus m., Savanorių pr. 180B

BALANCE SHEET**31 DECEMBER 2023**

(all amounts in euro, unless otherwise specified)

		Notes	2023	2022
E.	GRANTS, SUBSIDIES		-	-
F.	PROVISIONS		-	-
1.	Provisions for pensions and similar obligations		-	-
2.	Provisions for taxes		-	-
3.	Other provisions		-	-
G.	PAYABLES AND OTHER LIABILITIES			
1.	PAYABLES DUE AFTER ONE YEAR AND OTHER NONCURRENT LIABILITIES			
1.1.	Debt obligations		-	-
1.2.	Debts to credit institutions	13	534,931	-
1.3.	Advance payments received		-	-
1.4.	Debts to suppliers		-	-
1.5.	Amounts payable under bills of exchange and cheques		-	-
1.6.	Amounts payable to group companies		-	-
1.7.	Amounts payable to associated companies	21	3,905,000	-
1.8.	Other payables and noncurrent liabilities		-	-
			4,439,931	-
2.	PAYABLES DUE WITHIN ONE YEAR AND OTHER CURRENT LIABILITIES			
2.1.	Debt obligations		-	-
2.2.	Debts to credit institutions	13	127,562	13,186
2.3.	Advance payments received		48,322	47,543
2.4.	Debts to suppliers		607,248	1,108,654
2.5.	Amounts payable under bills of exchange and cheques		-	-
2.6.	Amounts payable to group companies	21	149,135	750,878
2.7.	Amounts payable to associated companies		-	1,590,000
2.8.	Corporate income tax liabilities		12,600	-
2.9.	Employment-related liabilities		274,400	242,326
2.10.	Other payables and current liabilities	14	81,391	40,846
			1,300,658	3,793,433
H.	ACCRUED COSTS AND DEFERRED INCOME	15	62,025	64,627
	TOTAL EQUITY AND TOTAL LIABILITIES		<u>6,440,121</u>	<u>3,409,797</u>

(End)

The following Notes are an integral part of these Financial Statements.

The Financial Statements were approved and signed on 5 July 2024:

Mantas Dzikas
Chief Executive Officer

Jolanta Juchnevič-Stankevič
Chief Accountant

STORENT UAB

Company code 302251303, Vilniaus m., Vilniaus m., Savanorių pr. 180B

INCOME STATEMENT**FOR THE YEAR ENDING ON 31 DECEMBER 2023**

(all amounts in euro, unless otherwise specified)

		Notes	2023	2022
1.	Sales revenue	16	10,536,535	10,239,228
2.	Cost of sales	17	(6,464,132)	(7,861,653)
3.	Change in fair value of biological assets		-	-
4.	GROSS PROFIT (LOSS)		4,072,403	2,377,575
5.	Selling expenses		-	-
6.	General and administrative expenses	18	(3,659,029)	(3,421,129)
7.	Results of other activities	19	145,406	159,997
8.	Income from investments in shares of parent, subsidiary and associated companies		-	-
9.	Income from other long-term investments and loans		-	-
10.	Other interest and similar income		-	-
11.	Impairment of financial assets and short-term investments		-	-
12.	Interest and other similar costs	20	(60,410)	(11,848)
13.	PROFIT (LOSS) BEFORE TAX		498,370	(895,405)
14.	Corporate income tax	22	(12,600)	-
15.	NET PROFIT (LOSS)		485,770	(895,405)

The following Notes are an integral part of these Financial Statements.

The Financial Statements were approved and signed on 5 July 2024:

Mantas Dzikas
Chief Executive Officer

Jolanta Juchnevič-Stankevič
Chief Accountant

STORENT UAB

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**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDING ON 31 DECEMBER 2023**

(all amounts in euro, unless otherwise specified)

	<u>Revaluation reserve</u>					<u>Statutory reserves</u>					
	Paid share or fixed capital	Share premiums	Own shares (-)	Tangible noncurrent assets	Financial assets	Mandatory or reserve capital	For purchasing own shares	Other reserves	Retained profit (loss)	Total	
1. Balance at the end of the reporting period (annual) preceding the previous one	272,224	2,827,776	-	-	-	26,774	-	-	- (2,679,632)	447,142	
2. Result of changes in accounting policy	-	-	-	-	-	-	-	-	-	-	
3. Result of correcting material errors	-	-	-	-	-	-	-	-	-	-	
4. Recalculated balance at the end of the reporting period (annual) preceding the previous one	272,224	2,827,776	-	-	-	26,774	-	-	- (2,679,632)	447,142	
5. Increase (decrease) in value of tangible noncurrent assets	-	-	-	-	-	-	-	-	-	-	
6. Increase (decrease) in value of an effective hedging instrument	-	-	-	-	-	-	-	-	-	-	
7. Acquisition (sale) of own shares	-	-	-	-	-	-	-	-	-	-	
8. Profit (loss) not recognised in the Income Statement	-	-	-	-	-	-	-	-	-	-	
9. Net profit (loss) for the reporting period	-	-	-	-	-	-	-	-	(895,405)	(895,405)	
10. Dividends	-	-	-	-	-	-	-	-	-	-	
11. Other payments	-	-	-	-	-	-	-	-	-	-	
12. Reserves established	-	-	-	-	-	-	-	-	-	-	
13. Reserves used	-	-	-	-	-	-	-	-	-	-	
14. Increase (decrease) in share capital or contributions from shareholders (repayment of shares)	-	-	-	-	-	-	-	-	-	-	
15. Other increase (decrease) in share or fixed capital	-	-	-	-	-	-	-	-	-	-	
16. Contributions to cover losses	-	-	-	-	-	-	-	-	-	-	
17. Balance at the end of the previous reporting (annual) period	272,224	2,827,776	-	-	-	26,774	-	-	- (3,575,037)	(448,263)	

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Company code 302251303, Vilniaus m., Vilniaus m., Savanorių pr. 180B

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDING ON 31 DECEMBER 2023**

(all amounts in euro, unless otherwise specified)

	Revaluation reserve					Statutory reserves				
	Paid share or fixed capital	Share premiums	Own shares (-)	Tangible noncurrent assets	Financial assets	Mandatory or reserve capital	For purchasing own shares	Other reserves	Retained profit (loss)	Total
18. Tangible fixed assets increase (decrease) in value	-	-	-	-	-	-	-	-	-	-
19. Increase (decrease) in the value of an effective hedging instrument	-	-	-	-	-	-	-	-	-	-
20. Acquisition (sale) of own shares	-	-	-	-	-	-	-	-	-	-
21. Profit (loss) not recognised in Profit and Loss Statement	-	-	-	-	-	-	-	-	-	-
22. Net profit (loss) for the reporting period	-	-	-	-	-	-	-	-	485,770	485,770
23. Dividends	-	-	-	-	-	-	-	-	-	-
24. Other payments	-	-	-	-	-	-	-	-	-	-
25. Reserves established	-	-	-	-	-	-	-	-	-	-
26. Reserves used	-	-	-	-	-	-	-	-	-	-
27. Increase (decrease) in share capital or shareholders' contributions (repayment of shares)	1 448	598 552	-	-	-	-	-	-	-	600,000
28. Other increase (decrease) in share or fixed capital	-	-	-	-	-	-	-	-	-	-
29. Contributions to cover losses	-	-	-	-	-	-	-	-	-	-
30. Balance at the end of the reporting period	273,672	3,426,328	-	-	-	26,774	-	-	(3,089,267)	(637,507)

(End)

The following Notes are an integral part of these Financial Statements.

The Financial Statements were approved and signed on 5 July 2024:

Mantas Dzikas
Chief Executive Officer

Jolanta Juchnevič-Stankevič
Chief Accountant

CASH FLOW STATEMENT**FOR THE YEAR ENDING ON 31 DECEMBER 2023**

(all amounts in euro, unless otherwise specified)

	2023	2022
1. Cash flows from operating activities		
1.1. Net profit (loss)	485,770	(895,405)
1.2. Depreciation and amortisation costs	118,460	89,625
1.3. Exclusion of results from the disposal of tangible and intangible noncurrent assets	(145,406)	(89,669)
1.4. Exclusion of results from financial and investment activities	60,406	11,848
1.5. Exclusion of results from other non-monetary transactions	(161,093)	(132,179)
1.6. Decrease (increase) in receivables from group companies and associated companies		-
1.7. Decrease (increase) in other receivables due after one year	(10,754)	(25,142)
1.8. Decrease (increase) in deferred income tax assets	-	-
1.9. Decrease (increase) in inventories other than advance payments made	(8,301)	(24,446)
1.10. Decrease (increase) in advance payments	(6,693)	(4,103)
1.11. Decrease (increase) in trade receivables	100,338	307,784
1.12. Decrease (increase) in debts of group companies and associated companies	(794)	1,214
1.13. Decrease (increase) in other receivables	(66)	(399)
1.14. Decrease (increase) in short-term investments	-	-
1.15. Decrease (increase) in deferred costs and accrued income	(9,302)	(3,982)
1.16. Increase (decrease) in provisions	-	-
1.17. Increase (decrease) in long-term trade payables and advance payments received	-	-
1.18. Increase (decrease) in amounts payable under bills and cheques after one year	-	-
1.19. Increase (decrease) in noncurrent debts to group companies and associated companies	-	-
1.20. Increase (decrease) in short-term trade payables and advance payments received	(528,139)	(16,519)
1.21. Increase (decrease) in amounts payable within one year under bills of exchange and cheques	-	-
1.22. Increase (decrease) in short-term debts to group companies and associated companies	(638,946)	692,355
1.23. Increase (decrease) in income tax liabilities	(12,600)	-
1.24. Increase (decrease) in employment-related liabilities	(32,074)	(36,285)
1.25. Increase (decrease) in other payables and liabilities	40,545	(90,702)
1.26. Increase (decrease) in accrued costs and deferred income	(2,602)	(34,360)
Net cash flows from operating activities	(670,501)	(250,365)
2. Cash flows from investing activities		
2.1. Acquisition of noncurrent assets other than investments	(872,177)	(119,263)
2.2. Disposal of noncurrent assets other than investments	150,787	150,231
2.3. Acquisition of long-term investments	-	-
2.4. Disposal of long-term investments	-	-
2.5. Loans granted	(3,405,000)	(1,390,000)
2.6. Loans recovered	1,390,000	-
2.7. Dividends, interest received	135,335	21,733
2.8. Other increase in cash flows from investing activities	-	-
2.9. Other decrease in cash flows from investing activities	-	-
Net cash flows from investing activities	(2,601,055)	(1,337,299)

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Company code 302251303, Vilniaus m., Vilniaus m., Savanorų pr. 180B

CASH FLOW STATEMENT**FOR THE YEAR ENDING ON 31 DECEMBER 2023**

(all amounts in euro, unless otherwise specified)

	<u>2023</u>	<u>2022</u>
3. Cash flows from financing activities		
3.1. Cash flows related to the company's owners	600,000	-
3.1.1. Issue of shares	600,000	-
3.1.2. Owners' contributions to cover losses	-	-
3.1.3. Buying back own shares	-	-
3.1.4. Payment of dividends	-	-
3.2. Cash flows related to other sources of financing	2,801,777	1,558,909
3.2.1. Increase in financial debts		
3.2.1.1. Loans received	3,256,226	1,590,000
3.2.1.2. Bonds issued	-	-
3.2.2. Decrease in financial debts	(454,449)	(31,091)
3.2.2.1. Loans repaid	-	-
3.2.2.2. Bonds redeemed	-	-
3.2.2.3. Interest paid	(162,532)	(25,923)
3.2.2.4. Lease (finance lease) payments	(291,917)	(5,168)
3.2.3. Increase in other liabilities of the Company	-	-
3.2.4. Decrease in other liabilities of the Company	-	-
3.2.5. Other increase in cash flows from financing activities	-	-
3.2.6. Other decrease in cash flows from financing activities	-	-
Net cash flows from financing activities	3,401,777	1,558,909
4. Impact of exchange rate fluctuations on the balance of cash and cash equivalents	-	-
5. Net increase (decrease) in cash flows	130,221	(28,755)
6. Cash and cash equivalents at the beginning of the period	90,200	118,955
7. Cash and cash equivalents at the end of the period	<u>220,421</u>	<u>90,200</u>

(End)

The following Notes are an integral part of these Financial Statements.

The Financial Statements were approved and signed on 5 July 2024:

Mantas Dzikas
Chief Executive Officer

Jolanta Juchnevič-Stankevič
Chief Accountant

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(all amounts in euro, unless otherwise specified)

1. General information

STORENT UAB (hereinafter, the Company) is a private limited liability company registered in the Republic of Lithuania. Company code:302251303. Registered office address: Savanorių pr. 180B, Vilnius, Lithuania.

The Company operates in the rental of machinery and equipment for construction and civil engineering. The Company was registered in the Register of Legal Entities on 27 November 2008.

As of 31 December 2023, the Company's sole shareholder was STORENT INVESTMENT AS (reg. no. 40103834303, address: Matrožu iela 15A, LV-1048, Riga, Latvia).

All shares, with a nominal value of EUR 28.96 each, are ordinary shares and were fully paid as of 31 December 2023. The Company had not acquired any of its own shares.

As of 31 December 2023, the Company had 49 employees (48 as of 31 December 2022).

These Financial Statements were approved by the Company's management on 5 July 2024. The shareholder of the Company has a statutory right to approve or disapprove these Financial Statements and require management to prepare new financial statements.

2. Summary of Relevant Accounting Policies

Basis of Preparation for the Financial Statements

The Financial Statements have been prepared in accordance with the laws and regulations of the Republic of Lithuania governing accounting and financial reporting, as well as the Lithuanian Financial Reporting Standards (LFRS).

The Financial Statements are prepared on the basis of acquisition cost.

The Financial Statements are presented in euro (EUR), the legal tender of Lithuania.

A summary of relevant accounting principles is presented below.

Intangible Noncurrent Assets

Intangible Assets Acquired Separately

Intangible assets acquired separately are carried at historical cost less accumulated amortisation and impairment losses. Amortisation is calculated using the straight-line method. The useful life and amortisation method are reviewed at the end of each reporting period, with any changes to the accounting estimate made prospectively.

The following groups of intangible assets and useful life of assets have been identified:

<u>Intangible noncurrent asset group</u>	<u>Useful life</u>
Software	3 years

Tangible Noncurrent Assets

Tangible noncurrent assets are assets owned and controlled by the Company, from which the Company expects to derive economic benefits in future periods, and that are intended for use for more than one year.

Tangible noncurrent assets are carried at cost, less accumulated depreciation and accumulated impairment losses, if any.

Depreciation of tangible noncurrent assets is calculated using the straight-line method. The liquidation value is determined to be between EUR 0.29 and EUR 1.

The useful life of assets by asset group is as follows:

Tangible noncurrent asset group	Useful life
Vehicles	3 to 6 years
Other equipment, instruments and tools	2 to 12 years

At the end of each year, the Company reviews the useful lives, residual values and depreciation methods of noncurrent assets and assesses the impact of changes, if any, which is recognised prospectively.

Repair and maintenance costs related to tangible noncurrent assets that have been put into use are added to the carrying amount of the asset if they extend its useful life or enhance its operational characteristics. All other repair costs incurred are recognised as costs in the Income Statement when incurred.

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Repair costs for leased and/or lent assets that extend their useful life or improve their operational characteristics are capitalised and recognised as costs over the remaining lease term.

Assets acquired under finance lease are depreciated using the same useful life as that of owned assets.

Profit or loss on the disposal of tangible noncurrent assets is recognised in the Income Statement for the year.

Inventories

Inventories are carried at the lower of cost or net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the costs of completion, marketing and distribution.

The cost of inventories includes the cost of acquiring them and the cost of transporting and preparing them for sale. Cost is calculated using the FIFO method. In calculating the cost of goods, the Company allocates a portion of the discounts received on goods purchased from suppliers that have not yet been sold.

Inventories in transit are recognised in accordance with INCOTERMS when the risks and rewards associated with the inventories are transferred to the Company.

Financial Assets

All financial assets are recognised and derecognised on the trade date, when the rights or obligations under a financial instrument contract, which requires delivery of the financial asset at market terms, are fulfilled. They are initially measured at cost, including directly attributable transaction costs.

Loans and Receivables

Loans and receivables are non-derivative financial assets that are not quoted on an active market and are settled at fixed or determinable amounts, except: (a) assets that the entity intends to sell immediately or in the near term and that are classified as held for sale and measured at fair value; (b) assets for which the holder may not recover the original amount of the investment (other than on account of bad debts); and (c) assets that are invested in a collective investment undertaking.

Loans and receivables are initially recognised at historical cost and subsequently measured at amortised cost using the imputed interest rate method, less any impairment losses. Interest income is recognised using the imputed interest rate method, except for short-term receivables for which the recognition of interest would be immaterial.

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, cash in transit, cash at bank and other short-term, highly liquid investments with original maturities of up to three months that are readily convertible to cash and present an insignificant risk of changes in value.

Impairment of Financial Assets

Financial assets are assessed for impairment indicators at each reporting date. A financial asset is considered to be impaired when there is an objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the financial asset and that affected the expected future cash flows from the financial asset.

Certain categories of financial assets, such as trade receivables, for which there is no individually determined impairment, are additionally assessed collectively. Objective evidence of impairment in the receivables portfolio may include the Company's experience with collecting payments on a delinquent basis, an increase in the number of receivables overdue by more than 60 days, and changes in economic conditions that correlate with increased delinquency in accounts receivable.

The carrying amount of all financial assets is reduced directly by an allowance for impairment losses, except for trade receivables, which are reduced through a provision account. When a trade receivable is irrecoverable, the amount is written off through a provision account. Amounts subsequently recovered but previously written off are charged to the provision account. Changes in the carrying amount of provisions are recognised in the Income Statement.

If the amount of an impairment loss decreases in a subsequent period and the decrease is objectively related to an event that occurred after the impairment loss was recognised, the previously recognised impairment loss is reversed through profit or loss. However, the reversal is limited to the extent that, at the date of reversal, the carrying amount of the investment does not exceed the amortised cost that would have been recognised if no impairment loss had been recorded in the prior period.

Financial Liabilities

Contractual obligations to deliver cash or other financial assets are classified as financial liabilities.

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In assessing financial liabilities, the Company classifies them into market-price-related and non-market-price-related categories.

Non-market-price-related Financial Liabilities

Non-market-price-related financial liabilities include: loans and trade payables.

On initial recognition, non-market-price-related financial liabilities are measured at cost, and transaction costs are recognised as costs in the Income Statement for the reporting period. In subsequent periods, these financial liabilities are carried at amortised cost using the imputed interest rate. Short-term financial liabilities are carried at cost, as the effect of applying the imputed interest rate is immaterial.

Revenue Recognition

Revenue is recognised on an accrual basis, i.e. it is recorded when earned, irrespective of whether cash is received. Revenue is measured at the fair value of the consideration received or receivable for goods or services.

Sale of Goods

Revenue from the sale of goods is recognised when all of the following conditions have been met:

- The Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- The company does not manage or control the goods sold to the extent normally associated with the ownership of such goods;
- The amount of revenue can be reliably estimated;
- It is probable that the Company will derive economic benefits from the transaction; and
- The costs incurred or expected to be incurred in connection with the transaction can be reliably estimated.

Interest Income

Interest income is recognised when it is probable that the Company will receive economic benefits and the amount of income can be reliably measured. Interest income is accrued over the period based on the outstanding balance and by applying an imputed interest rate that precisely discounts the estimated future cash flows over the expected life of the financial asset to its net carrying amount at initial recognition.

Rental Income

The Company's policy for recognising income from operating leases is set out below.

Cost Recognition

Costs are recognised on an accrual and comparative basis in the period in which the related revenue is earned, irrespective of the timing of the cash payment.

Lease Accounting

A lease is classified as finance lease when its terms transfer substantially all the risks and rewards incidental to ownership of the asset. All other leases are classified as operating leases.

The Company as Lessor

Amounts receivable from lessees under finance leases are recognised as receivables in the Company's net investment in leases. Rental income is allocated over the lease term to reflect a constant rate of return on the asset, taking into account the balance of the Company's net lease investment.

Operating lease income is recognised on a straight-line basis over the lease term. The initial direct costs of negotiating and agreeing an operating lease are added to the carrying amount of the leased asset and are recognised directly on a straight-line basis over the lease term.

The Company as Lessee

Assets leased under finance leases are recognised as the Company's assets on initial recognition at the fair value of the leased asset at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability of the lessor is presented in the Balance Sheet as a finance lease liability.

Lease payments are allocated between the finance costs and the reduction of the outstanding liabilities to reflect a constant rate of return on the outstanding balance of liabilities. Finance costs are recognised in profit or loss as they are incurred. Contingent lease payments are recognised as costs in the period in which they are incurred.

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Operating lease payments are recognised as expenses in the Income Statement on a straight-line basis over the lease term, unless another systematic method is more appropriate to reflect the time pattern in which the economic benefits from the leased asset are obtained. Contingent operating lease payments are recognised as costs in the period in which they are incurred.

Where incentive lease payments are received for operating leases, they are recognised as a liability. Lease costs are reduced by the cumulative incentive benefit on a straight-line basis, unless there is another systematic method that is more appropriate to reflect the time pattern of economic benefits from the leased asset.

Foreign Currency

Foreign currency transactions denominated in a currency other than euro are translated into euro at the official exchange rate published by the Bank of Lithuania on the transaction date, which is approximately equal to the market rate. At the end of each reporting period, monetary units denominated in a foreign currency are translated at that day's exchange rate.

Non-monetary items denominated in a foreign currency that are carried at fair value are translated at the exchange rate on the date the fair value was determined. Non-monetary items carried at historical cost denominated in a foreign currency are not translated.

Monetary assets and liabilities are translated into euro at the exchange rate effective on the date of the Financial Statements. Gains and losses resulting from changes in exchange rates on the translation of monetary assets or liabilities into euro are recognised in the Income Statement for the reporting period.

Borrowing Costs

Borrowing costs are recognised in the Income Statement on an accrual basis as they are incurred.

Corporate income tax

Income tax expense reflects the amount of current tax payable and deferred income tax.

Current Year's Tax

Corporate income tax for the current year is payable on the taxable profit for the year. Taxable profit differs from the profit reported in the Income Statement, because it excludes items of revenue or costs that are taxable or deductible in the following year as well as items that are not taxable or deductible. Income tax is calculated using the tax rate effective currently or enacted by the end of the reporting period. The corporate tax rate for 2023 is 15% (15% also in 2022).

Deferred Income Tax

Deferred tax is recognised for temporary differences between the carrying amounts of assets and liabilities in the financial statements and their respective tax bases. Deferred income tax liabilities are recognised for all temporary differences, while deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be reduced by the realisation of temporary differences. Such assets and liabilities are derecognised if the temporary differences relate to goodwill or if the assets or liabilities recognised in a transaction (other than a business combination) affect neither taxable profit nor financial profit.

Deferred tax assets are reviewed at the date of the Financial Statements and are reduced if it is not probable that sufficient future taxable profit will be available to allow the Company to realise the asset, up to the amount that is likely to reduce future taxable profit.

Deferred income tax assets and liabilities are measured using the enacted tax rate that will apply in the year in which the temporary differences are expected to reverse or be settled, based on tax rates (and tax laws) effective currently or enacted by the end of the reporting period. Deferred income tax assets and liabilities reflect the tax consequences that the Company expects to arise from settling or offsetting its assets or liabilities at the end of the reporting period.

Deferred income tax assets and liabilities are offset when it is legally permissible to do so for those of the current year, when they relate to income taxes imposed by the same authorities, and when the Company intends to offset them on a net basis.

Current and Deferred Income Tax for the Period

Current and deferred tax are recognised as an expense in the Income Statement, unless they relate to items recognised outside of it (directly in equity), in which case the tax is also recognised outside of the Income Statement, or they arise on the initial recognition of a business combination.

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Financial Risk Management Policy**Credit Risk**

Credit risk refers to the risk that a counterparty will default on its contractual obligations, resulting in financial losses to the Company. The Company follows a policy of engaging only with reputable counterparties and obtaining adequate collateral, where necessary, as a risk management measure to mitigate losses from non-performance of financial obligations. The company engages in transactions only with companies of reliable or superior financial standing. This information is obtained, where possible, from independent credit rating agencies and, if unavailable, the Company uses other publicly available financial information and its own trading data to rate its major customers. The Company's client and risk concentrations are regularly monitored, with transactions being conducted only with approved clients. Trade receivables are from a large number of customers and are spread across different industries and geographical areas. Ongoing credit assessments are conducted based on the financial condition of receivables, and, where necessary, credit guarantee insurance is purchased to mitigate the risk.

The credit risk associated with bank balances is minimal, as the Company engages in transactions only with banks that have strong credit ratings from internationally recognised credit rating agencies.

Interest Rate Risk

The Company is exposed to interest rate concentration risk, as it borrows funds at both fixed and floating interest rates. The Company manages risk by maintaining a balanced combination of fixed and variable interest rates.

As of 31 December 2023 and 2022, the Company has not used any financial derivatives to manage the risk of interest rate fluctuations.

Liquidity Risk

The Company manages liquidity risk by maintaining adequate reserves, banking services and reserve credit instruments, continuously monitoring actual and forecasted cash flows and adjusting the maturities of financial assets and liabilities as necessary.

The Company's policy is to maintain sufficient cash and cash equivalents or secure financing through adequate credit lines to meet the commitments outlined in its strategic plans.

Foreign Currency Risk

To manage foreign currency risk, the Company enters into credit agreements only in euro. Purchase/sale transactions of the Company are also mainly denominated in euro.

The Company is not exposed to any significant concentration of foreign currency risk and, therefore, did not utilise any financial instruments to manage foreign currency risk in 2023 and 2022.

Provisions

A provision is recognised when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

The amount recognised as a provision is the best estimate of the amount required to settle the present value of the obligation during the reporting period, taking into account the risks and uncertainties arising from the obligation. When a provision is measured using expected cash flows to settle a liability, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the amount receivable is recognised as an asset, provided that it is virtually certain that reimbursement will be received and the receivable can be measured reliably.

Related Parties

Related party is a legal entity and/or natural person who meets at least one of the following conditions:

- a) directly or indirectly exercises a decisive influence over the company;
- b) is in a position to exercise significant influence over the company;
- c) jointly controls the subject-matter of the joint venture agreement;
- d) is a company over which the same parent company or the same natural person (a group of natural persons) has a decisive influence;
- e) is an associated or a subsidiary company;
- f) is a company controlled under a joint venture agreement;
- g) is one of the directors of the company or the parent company;
- h) is a close family member of one of the persons referred to in points (a), (b), (c) or (g);
- i) is a company which is significantly influenced, jointly controlled or potentially significantly influenced by any of the persons referred to in points (g) or (h);
- j) is a company which accrues and disburses pensions and other post-employment benefits to the employees of the company or a related legal entity.

Post-reporting Events

Post-reporting events that provide additional information about the Company's position as of the date of the Financial Statements (adjusting events) are reflected in the Financial Statements. Post-reporting events that are not adjusting events are described in the notes when their effect is material.

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Key Accounting Estimates and Main Factors of Estimation Uncertainty

The application of the Company's accounting policies requires management to make estimates, judgements and assumptions about the carrying amounts of assets and liabilities that cannot be readily determined from other sources. The estimates and related assumptions are based on past experience and other directly relevant factors. Actual results may differ from the estimates provided.

The estimates and underlying assumptions are kept under constant review. The results of a review of accounting estimates are recognised in the period in which the review is conducted if they affect that period, or in both the current and future periods if the impact extends beyond the reporting period.

Key Estimates and Main Factors of Uncertainty

The key assumptions relating to the future and other key sources of estimation uncertainty at the end of the reporting period that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities in the next financial year are set out below.

Impairment of Tangible Noncurrent Assets

An entity assesses at least annually whether there are any indications of impairment in the carrying amount of property, plant and equipment. If any such indication exists, the Company performs an impairment test. The recoverable amount of a group of income-generating assets is determined based on a value-in-use calculation. As of 31 December 2023 and 2022, there was no indication that the carrying amount of tangible noncurrent assets could be impaired.

Other Assumptions and Estimates

Other estimates include useful lives of tangible noncurrent assets, provisions for inventories, doubtful trade receivables. In the opinion of the management, the above estimates are not expected to result in a material adjustment to the Financial Statements.

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3. Intangible Assets

As of 31 December, intangible assets consisted of:

	Software	Total
Acquisition value		
31 December 2021	5,667	5,667
- acquisitions	864	864
- disposals and write-offs	-	-
- reclassifications	-	-
- impairment	-	-
31 December 2022	6,531	6,531
- acquisitions	-	-
- disposals and write-offs	-	-
- reclassifications	-	-
- impairment	-	-
31 December 2023	6,531	6,531
Accumulated amortisation		
as of 31 December 2021	5,142	5,142
- amortisation	332	332
- disposals and write-offs	-	-
- reclassifications	-	-
31 December 2022	5,474	5,474
- amortisation	466	466
- disposals and write-offs	-	-
- reclassifications	-	-
31 December 2023	5,940	5,940
Residual value:		
31 December 2022	1,057	1,057
31 December 2023	591	591

As of 31 December 2023 and 2022, the Company had no intangible assets received free of charge for use in its operations.

Historical cost of intangible noncurrent assets fully amortised but still in use in the Company's operations as of 31 December:

	2023	2022
Software	5,127	5,127
Total	5,127	5,127

As of 31 December 2023 and 2022, the Company had no intangible assets subject to legal or contractual restrictions on control.

The amortisation of the Company's intangible noncurrent assets was recognised in the Income Statement under general and administrative expenses.

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4. Tangible assets

As of 31 December, tangible assets consisted of:

	<u>Vehicles</u>	<u>Other equipment, instruments and tools</u>	Total
Acquisition value			
31 December 2021	108,193	584,182	692,375
- acquisitions	10,153	108,246	118,399
- disposals and write-offs	(2,753)	(98,281)	(101,035)
- reclassifications	-	-	-
- impairment	-	-	-
31 December 2022	115,593	594,147	709,739
- acquisitions	147,175	725,002	872,177
- disposals and write-offs	-23,670	(15,664)	(39,334)
- reclassifications	-	-	-
- impairment	-	-	-
31 December 2023	239,098	1,303,485	1,542,583
Accumulated depreciation			
31 December 2021	88,128	390,648	478,776
- depreciation	14,357	74,936	89,293
- disposals and write-offs	(2,748)	(37,725)	(40,473)
- reclassifications	-	-	-
31 December 2022	99,737	427,859	527,596
- depreciation	22,853	95,141	117,994
- disposals and write-offs	-22,087	(11,866)	-33,953
- reclassifications	-	-	-
31 December 2023	100,503	511,134	611,637
Residual value:			
31 December 2022	15,856	166,288	182,144
31 December 2023	138,595	792,351	930,946

Depreciation of the Company's tangible noncurrent assets was recognised in the Income Statement under cost of sales and general and administrative expenses.

Historical cost of tangible noncurrent assets fully depreciated but still used in the Company's operations as of 31 December:

	<u>2023</u>	<u>2022</u>
Other equipment, instruments and tools	339,913	206,851
Total	339,913	206,851

As of 31 December, the residual value of tangible noncurrent assets acquired through leasing was:

	<u>2023</u>	<u>2022</u>
Vehicles	132,030	7,051
Other equipment, instruments and tools	625,904	-
Total	757,934	7,051

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5. Receivables due after one year

As of 31 December, receivables after one year consisted of:

	2023	2022
Long-term contractual prepayments:	120,426	109,672
Subtract: impairment	-	-
Total	120,426	109,672

6. Receivables from group companies and associated companies

As of 31 December, receivables from the group companies and associated companies consisted of:

	2023	2022
Receivables at gross value	44,052	6,055
Loans receivable	3,405,000	1,390,000
Subtract: current portion of receivables	6,849	1,396,055
Subtract: impairment	-	-
Total	3,455,901	1,396,055

7. Inventories

As of 31 December, inventories consisted of:

	Raw materials, supplies and components	Purchased goods for resale	Total
Historical cost of inventories as of 31 December 2023	132,297	147,954	280,251
Subtract: written down to net realisable value	-	-	-
Net realisable value as of 31 December 2023	132,297	147,954	280,251

	Raw materials, supplies and components	Purchased goods for resale	Total
Historical cost of inventories as of 31 December 2022	148,207	140,345	288,552
Subtract: written down to net realisable value	-	-	-
Net realisable value as of 31 December 2022	148,207	140,345	288,552

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8. Trade receivables

As of 31 December, trade receivables consisted of:

	<u>2023</u>	<u>2022</u>
Trade receivables at gross value	1,758,173	1,643,252
Subtract: impairment	(372,267)	(337,603)
Total	<u>1,385,906</u>	<u>1,305,649</u>

The movement in the impairment of doubtful receivables during the year consisted of:

	<u>2023</u>	<u>2022</u>
1 January	(337,603)	(530,991)
Provisions for receivables (establishment thereof)	(231,110)	(220,435)
Restoration of provisions	50,526	29,477
Write-off of bad debts during the year	145,920	384,346
31 December	<u>(372,267)</u>	<u>(337,603)</u>

For 2023 and 2022, the change in the impairment of doubtful receivables is recognised in the Income Statement under general and administrative expenses.

9. Other receivables

As of 31 December, other receivables consisted of:

	<u>2023</u>	<u>2022</u>
Income tax overpayment	1,356	1,356
Other receivables	646	580
Total other receivables, gross	<u>2,002</u>	<u>1,936</u>
Subtract: impairment	-	-
Total	<u>2,002</u>	<u>1,936</u>

10. Cash and Cash Equivalents

As of 31 December, cash and cash equivalents consisted of:

	<u>2023</u>	<u>2022</u>
Cash in bank	218,709	79,235
Cash in hand	-	10,965
Cash in transit	1,712	-
Total	<u>220,421</u>	<u>90,200</u>

11. Deferred costs and accrued income

As of 31 December, deferred costs and accrued income consisted of:

	<u>2023</u>	<u>2022</u>
Deferred costs	25,914	16,612
Accrued income	-	-
Total	<u>25,914</u>	<u>16,612</u>

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12. Equity*a) Share capital*

As of 31 December 2022, the Company's share capital consisted of 9,400 ordinary shares with a nominal value of EUR 28.96 each. All shares are fully paid.

As of 31 December 2023, the Company's share capital consisted of 9,450 ordinary shares with a nominal value of EUR 28.96 each. All shares are fully paid.

The Company had not acquired or disposed any of its own shares in 2023 and 2022.

As of 31 December, the Company's shareholders were:

	2023			2022		
	Share number	Proportion of all shares, %	Proportion of shares with voting rights, %	Share number	Proportion of all shares, %	Proportion of shares with voting rights, %
STORENT INVESTMENT AS	9,450	100	100	9,400	100	100
Total	9,450	100	100	9,400	100	100

b) Mandatory reserve

Mandatory reserve is a reserve required by the laws of the Republic of Lithuania. At least 5% of the net distributable profit is transferred to it annually until the mandatory reserve reaches 10% of the share capital. It can be used for no other purpose than to cover future losses.

As of 31 December 2023 and 2022, the mandatory reserve amounted to EUR 26,774.

c) Share Premium

Share premium (excess of nominal value) is the portion of the Company's equity equal to the difference between the issue price and the nominal value of the shares. Share premiums can be used to increase the company's share capital and cover losses.

Draft Profit Distribution

	Amount
Retained earnings – profit (loss) – at the end of the previous financial year	(3,575,037)
Net result for the year – profit (loss)	485,770
Result to be distributed – profit (loss) – at the end of the financial year	(3,089,267)
Shareholders' contributions to cover losses	-
Transfers from reserves	-
Profit to be distributed	-
Profit distribution:	-
- statutory reserves	-
- dividends	-
- other reserves	-
- others	-
Retained earnings – profit (loss) – end of financial year	(3,089,267)

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NOTES**FOR THE YEAR ENDED ON 31 DECEMBER 2023**

(all amounts in euro, unless otherwise specified)

13. Leasing (financial lease) or similar commitments

As of 31 December, leasing (finance lease) or similar commitments consisted of:

	2023		2022	
	Minimum finance lease payments	Present value of minimum finance lease payments	Minimum finance lease payments	Present value of minimum finance lease payments
Within one year	176,834	127,562	13,646	13,186
Within two to five years	-	534,931	-	-
After five years	-	-	-	-
Minimum finance lease payments	176,834	662,493	13,646	13,186
Subtract: interest	(49,272)		(460)	
Present value of minimum finance lease payments	127,562		13,186	

The Company's obligations under leasing agreements are secured by the lessor's right to the leased assets (Note 4).

Leasing (finance lease) agreements provide for annual (variable) interest: 3-month EURIBOR plus a leasing margin of 2,92 to 3.50%.

The fair value of the Company's finance lease liabilities approximates their carrying amount.

14. Other payables and liabilities

As of 31 December, other payables and liabilities consisted of:

	2023	2022
VAT payable	81,391	40,431
Other	-	415
Total	81,391	40,846

15. Accrued costs and deferred income

As of 31 December, accrued costs and deferred income consisted of:

	2023	2022
Accrued costs	62,025	64,627
Deferred income	-	-
Total	62,025	64,627

16. Sales revenue

For the year ended on 31 December, sales revenue consisted of:

	2023	2022
Revenue from rental of equipment and related services	10,387,554	10,074,320
Revenue from goods sold	148,981	164,908
Total	10,536,535	10,239,228

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NOTES**FOR THE YEAR ENDED ON 31 DECEMBER 2023**

(all amounts in euro, unless otherwise specified)

17. Cost of sales

For the year ended on 31 December, cost of sales was as follows:

	<u>2023</u>	<u>2022</u>
Cost of rental and related services	5,914,217	7,284,186
Staff wages and social security costs	419,844	356,550
Cost of inventories and equipment	62,144	134,285
Depreciation of rented tangible noncurrent assets	60,093	37,845
Other overheads	7,834	48,787
Total	<u>6,464,132</u>	<u>7,861,653</u>

18. General and administrative expenses

For the year ended on 31 December, general and administrative expenses were as follows:

	<u>2023</u>	<u>2022</u>
Wages and related taxes	1,063,326	970,141
Management fee	664,801	693,027
Information technology support costs	398,507	442,570
Rental costs for premises	625,460	541,640
Bad debt write-off expenses, change in doubtful debt reserve	180,595	124,521
Transport repair and operating costs	107,690	107,339
Utilities	132,527	150,858
Staff-related costs	130,634	105,158
Vehicle operating lease costs	43,722	52,388
Representation costs	40,786	19,082
Depreciation of tangible noncurrent assets	54,851	51,448
Change in holiday pay accrual	3,013	(18,096)
Communications costs	14,822	17,337
Subscription costs for information databases	12,801	15,227
Business trip costs	3,986	1,178
Insurance costs	10,626	10,836
Legal and other consultancy costs	25,969	25,480
Banking services	20,468	12,076
Security costs	16,230	17,071
Tax expense (excluding corporate income tax)	11,342	2,834
Cost of auditing the Financial Statements	20,565	16,450
Advertising costs	11,255	12,672
Vehicle insurance costs	12,390	4,710
Amortisation of intangible assets	467	332
Other	52,196	44,850
Total general and administrative expenses	<u>3,659,029</u>	<u>3,421,129</u>

19. Results of other activities

For the year ended on 31 December, the results of other activities were as follows:

	<u>2023</u>	<u>2022</u>
OTHER OPERATING INCOME		
Profit on sale of noncurrent assets	53,104	89,669
Other income	<u>92,302</u>	<u>70,328</u>
	145,406	159,997
OTHER OPERATING COSTS		
Other costs	-	-
Results of other activities	<u>145,406</u>	<u>159,997</u>

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NOTES**FOR THE YEAR ENDED ON 31 DECEMBER 2023**

(all amounts in euro, unless otherwise specified)

20. Other interest and similar income (costs)

For the year ended on 31 December, other interest and similar income (costs) consisted of:

	2023	2022
OTHER INTEREST AND SIMILAR INCOME		
Other income	135,335	21,733
	135,335	21,733
OTHER INTEREST AND SIMILAR COSTS		
Interest costs	(195,745)	(28,675)
Fines and penalties	-	(4,906)
	(195,745)	(33,581)
Other interest and results of similar activities	(60,410)	(11,848)

21. Related party operations

The table below shows transactions with related companies for the period ended on 31 December 2022:

Related party	Receivables	Payables	Interest income/(expense)	Sales of goods and services	Purchases of goods and services	Short-term loan granted	Short-term loan received
<i>Shareholder</i>							
STORENT INVESTMENT AS	-	289,790	20,997	175	1,137,900	1,390,000	-
<i>Companies related to shareholder</i>							
STORENT SIA	-	461,088	(24,682)	12,799	1,136,645	-	1,590,000
STORENT OU	5,339	-	-	4,483	3,431	-	-
STORENT AB	4	-	-	1,337	559	-	-
STORENT OOO	-	-	-	-	-	-	-
STORENT OY	712	-	-	1,422	1,374	-	-
Total	6,055	750,878	(3,685)	20,216	2,279,909	1,390,000	1,590,000

The table below shows transactions with related companies during the period ended on 31 December 2023:

Related party	Receivables	Payables	Interest income/(expense)	Sales of goods and services	Purchases of goods and services	Long-term loan granted	Long-term loan received
<i>Shareholder</i>							
STORENT INVESTMENT AS	-	149,135	135,335	-	1,089,879	3,405,000	-
<i>Companies related to shareholder</i>							
STORENT SIA	37,202	-	(141,167)	101,665	656,946	-	3,905,000
STORENT OU	5,294	-	-	2,392	2,437	-	-
STORENT AB	921	-	-	3,580	13,969	-	-
STORENT OOO	-	-	-	-	-	-	-
STORENT OY	634	-	-	1,293	1,371	-	-
Total	44,051	149,135	(5,832)	108,930	1,764,602	3,405,000	3,905,000

The financial relationships with the Company's executives are shown below:

	2023	2022	Balance as of 31 December 2023
Amounts calculated for the Company's executives and other related parties:			
- Amounts relating to employment	284,257	222,530	37,532
Average number of executives per year	5	4	4

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NOTES**FOR THE YEAR ENDED ON 31 DECEMBER 2023**

(all amounts in euro, unless otherwise specified)

22. Corporate income tax

Components of income tax expense (income) for the year ended on 31 December:

	2023	2022
Income tax expenses for the reporting period	12,600	-
Income tax adjustments for prior reporting periods	-	-
Deferred income tax expenses (income)	-	-
Income tax expenses (income) recognised in the Income Statement	12,600	-

For the year ended on 31 December, income tax expenses (income) were as follows:

	2023	2022
Profit (loss) before tax	498,370	(895,405)
Income tax adjustments for prior reporting periods	-	-
Tax effect of costs not reducing taxable profit	317,888	35,999
Total amount of costs reducing profit	(157,403)	(238,151)
Tax effect of income not contributing to taxable profit	-	-
Change in deferred income tax assets after impairment	-	-
before tax losses are utilised	658,855	(1,097,557)
Tax losses utilised	(461,198)	-
Taxable result (loss)	197,657	-
Corporate income tax rate	15%	-
Calculated corporate income tax	26,649	-
Correction	(14,049)	-
Income tax expenses (income) recognised in the Income Statement	12,600	-

As of 31 December, deferred income tax assets/(liabilities) consisted of:

	2023	2022
Deferred income tax assets		
Holiday pay accrual	(8)	(47)
Bonus reserve	-	-
Unused tax losses	475,919	545,099
Impairment of receivables	55,840	50,640
Total deferred income tax assets	531,759	595,692
Subtract: decrease after valuation	(531,759)	(595,692)
Deferred income tax assets at net value	0	0

23. Possible commitments and pledges for future periods

In 2023 and 2022, the Company was not involved in any legal proceedings that, in the opinion of management, would have a material effect on the Financial Statements.

As of 31 December, deferred payments for operating leases of the Company's premises were:

	2023	2022
In the first year	366,769	606,277
In the second to fifth year	390,681	550,329
Total	757,450	1,159,606

As of 31 December, the Company's deferred vehicle operating lease liabilities were:

	2023	2022
In the first year	127,562	15,622
In the second to fifth year	534,931	18,748
After five years	-	-
Total	662,493	34,369

STORENT UAB**Company code 302251303, Vilniaus m., Vilniaus m., Savanorų pr. 180B****NOTES****FOR THE YEAR ENDED ON 31 DECEMBER 2023****(all amounts in euro, unless otherwise specified)**

Leases that expire in the normal course of business are expected to be renewed, or new leases will be entered into.

The tax authorities have not conducted any full tax audit of the Company. The tax authorities may at any time inspect accounting, transaction and other documents, records and tax returns for the current and the previous 3 calendar years and, in certain cases, for the current and the previous 5 or 10 calendar years, and may assess additional taxes and penalties. The Company's management is not aware of any circumstances that could give rise to a potential material liability for unpaid taxes.

24. Business Continuity

For the year ended on 31 December 2023, the Company generated a net profit of EUR 485,700. Current assets exceed current liabilities by EUR 656,600.

The Company's ability to continue as a going concern depends on its capacity to generate sufficient cash flow to meet its liabilities timely, secure additional income or loans as needed, and/or receive recurring financial support from shareholders or other related parties.

The shareholder of the Company made a contribution of EUR 600,000 to equity in 2023. As of 31 December 2023, the Company's equity capital met the requirements for the amount of a company's equity capital set out in the Law on Companies of the Republic of Lithuania.

Based on the above assumptions, management believes that the Company will be able to continue as a going concern for the next year. Accordingly, the Financial Statements have been prepared on a going concern basis.

25. Post-reporting Events

On 1 March 2024, there was a change in the Company's sole shareholder – to Storent Holding AS (reg. no. 40203174397, address: Matrožu iela 15A, LV-1048, Riga, Republic of Latvia).

No other post-reporting events have occurred between the end of the financial year and the approval date of these Financial Statements that would affect them or require additional disclosure.

* * * *

DETAILED METADATA	
Purpose of the signature	Approval
First name, surname and position of the person who affixed the signature	JOLANTA JUCHNEVIČ-STANKEVIČ
Date and time of the signature affixation	05/07/2024 12:07:17 PM
Signature format	ETSI.CAdES.detached
Time in the time stamp	05/07/2024 09:07:24 AM
Information on the certification service provider	EID-SK 2016
Certificate validity period	31/03/2023 02:53:24 PM to 31/03/2026 02:53:24 PM
Purpose of the signature	Approval
First name, surname and position of the person who affixed the signature	MANTAS DZIKAS
Date and time of the signature affixation	05/07/2024 12:10:12 PM
Signature format	ETSI.CAdES.detached
Time in the time stamp	05/07/2024 09:10:16 AM
Information on the certification service provider	EID-SK 2016
Certificate validity period	09/01/2023 06:39:59 AM to 09/01/2026 06:39:59 AM
Purpose of the signature	Approval
First name, surname and position of the person who affixed the signature	IEVA VOVERIENĖ
Date and time of the signature affixation	05/07/2024 01:39:30 PM
Signature format	adbe.pkcs7.detached
Information on the certification service provider	ADIC CA-B
Certificate validity period	05/10/2022 10:46:42 AM to 04/10/2025 10:46:42 AM

DETAILED METADATA	
Purpose of the signature	Approval
First name, surname and position of the person who affixed the signature	RCSC TSA3
Date and time of the signature affixation	
Signature format	ETSI.RFC3161
Time in the time stamp	14/07/2024 09:30:19 PM
Information on the certification service provider	RCSC IssuingCA-2
Certificate validity period	08/02/2024 11:49:45 AM to 20/05/2030 12:59:40 PM

DETAILED METADATA	
Information on the methods used to ensure the integrity of metadata	-
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